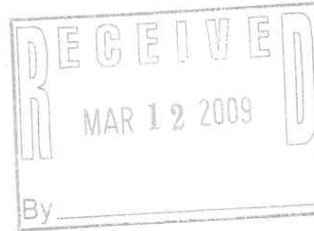




**CALIFORNIA EMERGENCY MANAGEMENT AGENCY**  
**LOCAL ASSISTANCE MONITORING BRANCH**  
3650 SCHRIEVER AVENUE  
MATHER, CALIFORNIA 95655  
PHONE: (916) 845-8120 FAX: (916) 845-8380

March 5, 2009

Ms. Edith W. Norris  
Project Director  
YWCA of San Gabriel Valley  
943 North Grand Ave  
Covina, CA 91724



*Hello,  
Please see the  
enclosed management  
letter. Feel free to  
contact me if you  
have any questions  
Lisa Brabo*

SUBJECT: AUDIT REPORT FOR PERIOD ENDING JUNE 30, 2008

Dear Ms. Norris:

On January 1, 2009, the Governor's Office of Emergency Services merged with the Office of Homeland Security to form the new California Emergency Management Agency (Cal EMA).

CalEMA has received and reviewed the above-referenced audit reports for YWCA of San Gabriel Valley.

In reviewing the Report on Compliance and on Internal Control Over Financial Reporting, there was a Management Letter dated December 29, 2008, regarding certain matters involving internal control over financial reporting (page 22), that was not included in the package. Per Recipient Handbook Section 8217, "*Audit reports, which refer to a management letter, are required to submit a copy of the management letter along with the audit report to OES.*"

Please provide CalEMA a copy of the Management Letter by March 16, 2009. The requested information should be forwarded to the attention of Roni Armstrong at:

California Emergency Management Agency  
Local Assistance Monitoring Branch  
3640 Schriever Avenue  
Mather, CA 95655

Thank you for your anticipated cooperation in this matter. Should you have any questions or concerns regarding this issue, please contact Roni Armstrong, CalEMA Local Assistance Monitoring Branch, at (916) 845-8115 or [Roni.Armstrong@oes.ca.gov](mailto:Roni.Armstrong@oes.ca.gov).

Respectfully submitted,

*Michael Baldwin*  
MICHAEL BALDWIN  
BRANCH CHIEF

cc: Subgrantee File DV08231219

**December 29, 2008**

**To the Board of Directors  
YWCA of San Gabriel Valley  
943 N. Grand  
Covina, Ca 91724**

During the course of our audit of the Organization's financial statements for the year ended June 30, 2008, the following items came to our attention:

1. WINGS – The month of April 2008 CalWorks grant was tested for compliance and was determined to be under billed for certain services provided and over billed for other services provided. We calculated a net of 12 service units overbilled. The billing report and the service sheet data reports are not being reconciled. Other months were not tested to determine other billing differences.

We recommend control totals be used to compare the number of services provided with the number of services billed and these should be reviewed by the program director and case managers. The total number of service units should be calculated and compared with the total service units billed. Non billable services, if any, should be separated from billable services and calculated as reconciling items.

RESPONSE: A new contract management system was put in place in June 2008. Billings are now prepared from the service data reports, so a reconciliation of the service data reports and the billings occurs with each billing. The Contract Manager prepares the billings, and the Program Director oversees the process, connecting with case managers as needed.

2. Intervale – The month of May 2008 Nutrition Reimbursement and USDA Entitlement grant was tested for compliance and was determined to have a net overbilling of \$331.24 resulting from clerical errors. An overcharge for 128 meals served and an undercharge for 30 home delivered meals for a net of 98 meals overbilled. Other months were not tested to determine other billing variances.

We recommend that meal delivery sheets be recalculated. Weekly report totals should be recalculated and the calculation should agree with the control total of the delivery sheets. Congregate sign in sheets should be recalculated.

RESPONSE: A new on-line billing system is now required by the County, which reduces the possibility of clerical error. Each meal by individual is entered into the on-line system and all totals are automatically calculated. The implementation of the new system began in July 2008. Side-by-side testing of old and new systems is complete in January 2009, with only the automated on-line system to be used after that point. There is still the possibility of clerical error in data entry, so an additional level of double checking has been initiated.

3. The Accounting and Financial Policies and Procedures manual states accrued leave is required to be recorded. Accrued vacation has not been recorded in the financials. An audit adjustment was recorded in this year's audit along with a prior period adjustment for prior years.

We recommend that accrued vacation be adjusted on a monthly basis.

RESPONSE: The YWCA San Gabriel Valley will adjust accrued vacation on a monthly basis, as recommended.

4. Due to changes in personnel, the indirect cost allocation policy was unavailable when the county monitored the Title III C-1 program. This resulted in \$93,893 being required to be repaid to the County. Revised reports were submitted to the County, but due to the closing of the County and State fiscal years, the revised reports to date have been denied.

We recommend a new proposed indirect cost allocation policy be submitted to the County for approval. The indirect cost allocation policy should be included in the Accounting and Financial Policies and Procedures manual and the grant accounting software should be updated in accordance with the indirect cost allocation plan.

RESPONSE: Subsequent to June 30, 2008, the YWCA contracted with James Gladfelter, CPA to serve as an outside CPA to help with the organization and structure of the fiscal department. One of the critical assignments for Mr. Gladfelter was to help the YWCA develop an overall Agency allocation policy, including the allocation of shared and indirect costs. This new policy has been prepared. We are in the process of finalizing the methods for allocation of shared and indirect costs, which will then be submitted to the County for approval. In addition, the outside CPA has developed systems and procedures, including a Fiscal Checklist that is being used to monitor the fiscal operations of the agency on a monthly, quarterly and annual basis. This, along with the new procedure for reviewing all grants on a monthly basis, will insure that the YWCA is aware of the status of all grant revenues and expenditures so that proper actions may be taken to avoid this issue in the future.

If you should wish to consult us on these or any other matters, please feel free to contact us,

Yours truly,



**FORMAN, RICHTER & RUBIN**  
**AN ACCOUNTANCY CORPORATION**



**CALIFORNIA EMERGENCY MANAGEMENT AGENCY**  
**LOCAL ASSISTANCE MONITORING BRANCH**  
3650 SCHRIEVER AVENUE  
MATHER, CALIFORNIA 95655  
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March 17, 2009

Ms. Edith W. Norris  
Project Director  
YWCA of San Gabriel Valley  
943 North Grand Ave  
Covina, CA 91724

SUBJECT: AUDIT REPORT FOR PERIOD ENDING JUNE 30, 2008

Dear Ms. Norris:

CalEMA has received and reviewed the requested December 29, 2008, Management Letter, related to the above-referenced audit report for YWCA of San Gabriel Valley.

Management's responses to each of the findings in the Management Letter were reviewed noting what appears to be viable corrective actions to resolve each finding. By copy of this letter, we consider the above subject audit report review closed as it appears the deficiencies have no direct impact upon CalEMA grants.

However, concern regarding the findings identified by the auditor is noted due to the potential for future cross cutting impact upon CalEMA grants. As such, we strongly recommend implementation of the auditors' recommendations in order to enhance internal controls over financial reporting, as well as ensure compliance with the maintenance of accurate accounting records going forward. Please ensure that future audit reports include a copy of any/all related management letters.

Thank you for your cooperation as well as your diligence in addressing program deficiencies in a timely manner. Should you have any questions or concerns regarding this issue, please contact Roni Armstrong, CalEMA Local Assistance Monitoring Branch, at (916) 845-8115 or [Roni.Armstrong@oes.ca.gov](mailto:Roni.Armstrong@oes.ca.gov).

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Michael Baldwin".

MICHAEL BALDWIN  
BRANCH CHIEF

cc: Subgrantee File DV08231219

☐ File ☐ Follow-up Letter & File

☒ Suspense

## Audit Report Review Form

☐ Closed \_\_\_\_\_

Control # 04498

Subrecipient Name: YWCA of San Gabriel Valley		Fiscal Year Ended: 06/30/08	
Grant Name: Domestic Violence Assistance Program		Grant # DV08231219	
Date Received by OES: 03/02/08	Rec'd w/i 9 months? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Review Date: 03/04/09	Review Performed By: Roni Armstrong

### SCO TRANSMITTAL LETTER

Did SCO identify any cross-cutting findings?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> N/A
Did SCO refer any program-specific findings to OES?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> SCO Letter Not Received

### AUDIT THRESHOLD

Total OES-related award amount reported in audit <input type="checkbox"/> <\$25K <input checked="" type="checkbox"/> \$25-\$500K <input type="checkbox"/> >\$500K	Type of audit report required <input type="checkbox"/> FS <input checked="" type="checkbox"/> Single Audit <input type="checkbox"/> Grant-Specific
Federal award total reported in audit <input type="checkbox"/> <\$500 <input checked="" type="checkbox"/> =>\$500K <input type="checkbox"/> Not shown	Type of report received: <input type="checkbox"/> FS <input checked="" type="checkbox"/> SAR <input type="checkbox"/> Grant-Specific
	Type of audit report appropriate? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A

### AUDIT QUALIFIERS – REQUIRED ITEMS

SINGLE AUDIT REPORTS	GRANT-SPECIFIC REPORTS / FINANCIAL STATEMENTS
<b>Auditor's Report:</b> <input type="checkbox"/> No report <i>"...presents fairly the financial position... in conformity with generally accepted accounting principles"</i> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Report makes reference to separate reports on compliance & internal controls <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<b>Auditor's Report:</b> <input type="checkbox"/> No report Report describes scope of testing, e.g., "We have audited the..." <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not included  <i>"...audit conducted ... in conformity with generally accepted accounting principles"</i> <input type="checkbox"/> Yes <input type="checkbox"/> No
<b>Financial Statement:</b> Report on internal control describes scope of testing, e.g., "We have audited the..." <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not included  Report includes a statement that report complies with: <input type="checkbox"/> GAS <input type="checkbox"/> GAGAS <input checked="" type="checkbox"/> GAS or GAGAS and GAAS <input type="checkbox"/> No Statement (for public accountants)	Report includes language: <i>"schedule [financial statement/grant statement] presents fairly...the status of funds &amp; related expenditures [financial operations] of the/ selected grants[]." </i> <input type="checkbox"/> Yes <input type="checkbox"/> No  Report makes reference to separate reports on compliance & internal controls <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No letter
<b>Major Programs:</b> Report includes an opinion (or disclaimer) that report complies with laws, regulations & provisions of contracts or grant agreements <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Report includes language: <i>"schedule of expenditures of federal awards is presented fairly... in relation to the financial statement taken as a whole."</i> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<b>Report on Compliance &amp; Internal Controls:</b> Report on internal control describes scope of testing, e.g., "We have audited the..." <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not included  Report includes a statement that report complies with: <input type="checkbox"/> GAS <input type="checkbox"/> GAGAS <input type="checkbox"/> GAS or GAGAS and GAAS <input type="checkbox"/> No Statement (for public accountants)  Report includes an opinion (or disclaimer) that report complies with: Laws, regulations & provisions of contracts or grant agreements <input type="checkbox"/> Yes <input type="checkbox"/> No OES audit program & handbook <input type="checkbox"/> Yes <input type="checkbox"/> No
<b>Report contains:</b> Schedule of expenditures of federal awards by agency and pass-through entity <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Identifying CFDA # <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Statement that audit was conducted in accordance with OMB circular A-133 <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Notes describing significant accounting policies (review contents) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  Prior year findings with status <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<b>Report contains:</b> Grant number (grant-specific) <input type="checkbox"/> Yes <input type="checkbox"/> No Audit period <input type="checkbox"/> Yes <input type="checkbox"/> No  Notes describing significant accounting policies (review contents) <input type="checkbox"/> Yes <input type="checkbox"/> No  Prior year findings with status <input type="checkbox"/> Yes <input type="checkbox"/> No

# LEVS Application Updates

## Recipient

County #:  Loc:  Type:  Senate:  Assembly:  Congress:   
 LEVS #:  Name:    
 FIPS #:  Comments:    
 OES #:   
 Fed ID #:

## Programs

Program	Program#	Max Program Allocation Amt.	Program
DV07	200700422	L	Domestic Violence Assistance Prog
DV06	200600422	L	Domestic Violence Assistance Prog
DV08	200800422	L	Domestic Violence Assistance Progra
		L	
		L	
		L	

Project Funding		
Funding Source	Funding Type	Amount
08DVP0	L	2,891.00
08DVP0	S	28,905.00
08FVPS	F	73,087.00
08FVPS	L	18,272.00
08VAWA	F	8,844.00
08VOCA	F	84,660.00
08VOCA	L	21,165.00

## Applications

Award#	Vendor Suffix	LEVS Reimbursement Method	State Amount	Max. Advance Amt	Staff ID#	Staff Assigned	Begin Date	End Date
DV08 23 1219	00	M L View/Update Contact	28,905.00	4,914.00	417 L	Stephanie Pedone	07/01/08	06/30/09
		L View/Update Contact			L			
		L View/Update Contact			L			
		L View/Update Contact			L			

Up

Down

Query

Save

Exit



Contact Type	Name First	Name Last	Salutation	Title	Address	City (Street)	ZIP (Street)	ZIP Ext (Street)	Mail To	
<b>Executive Officer</b>	L Mary	Douglas	Ms.	Interim Chief Exec	943 North Grand Ave	Covina	91724	2046		L
Financial Officer	L Mike	Bull	Mr.	Fiscal Manager	943 North Grand Ave	Covina	91724	2046	Street	L
Governing Body Ch	L Karen	Levin-Bohika	Ms.	President, Board o	943 North Grand Ave	Covina	91724	2046		L
Official Signer (Fac	L Edith W.	Norris	Ms.	Program Director	943 North Grand Ave	Covina	91724	2046		L
Payment Address	L				943 North Grand Ave	Covina	91724			L
Project Director	L Edith W.	Norris	Ms.	Program Director	943 North Grand Ave	Covina	91724	2046	Street	L

Phone	Phone Ext.	Fax	Email	Additional Signature Authority	PO Box	City (PO)	ZIP (PO)	
(626)960-2995		(626)814-0447	marydouglas@ywcasgv.org					
(626)960-2995		(626)814-0447	mikebull@ywcasgv.org	Mary Jane Yu				
(626)960-2995		(626)814-0447	karen.levin-bohika@pvhmc					
(626)960-2995		(626)814-0447	edienorris@ywcasgv.org					
(626)960-2995		(626)814-0447	edienorris@ywcasgv.org	Cindy Taylor, Ana Interiano				

Return to Main Screen

DV08 23 1219	00	M	L	View/Update Contact	28,905.00	4,914.00	417	L	Stephanie Pedone	07/01/08	06/30/09
			L	View/Update Contact				L			
			L	View/Update Contact				L			
			L	View/Update Contact				L			

Up

Down

Query

Save

Exit